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PRESS RELEASE

Financial Report for the Fiscal Year Ended March 2010

Mori Trust Group recently announced its consolidated business performance for the year ended March 31, 2010. The Group consists of 23 consolidated companies, including Mori Trust Co., Ltd., Mori Trust Building Management Co., Ltd., and Mori Kanko Trust Co., Ltd., and three equity-method affiliates.

[Mori Trust Group Consolidated Financial Report] (April 1, 2009 – March 31, 2010)

(Figures in millions of yen; figures less than one million yen rounded down)

	FY 2009	FY 2010	FY 2011 (projection)
1 Operating revenue	226,879	133,259	120,000
Leasing	68,009	62,544	60,000
Hotel	22,041	27,801	21,000
Real estate sales	119,806	30,572	26,000
Other (Subsidiaries' construction subcontracting, etc.)	17,022	12,341	13,000
2 Operating income	93,982	25,028	16,000
3 Ordinary income	72,791	20,573	13,000
4 Net income	35,219	8,899	17,000

○ **Consolidated Companies (23 companies)**

(*: Company added to consolidation)

MORI TRUST CO., LTD. / MORI TRUST BUILDING MANAGEMENT CO., LTD. / MORI KANKO TRUST CO., LTD. / MAMPEI HOTEL / YOKOHAMA GRAND INTER·CONTINENTAL HOTEL Co., Ltd. / MT&Hilton Hotel Co., Ltd. / MT GOLF DEVELOPMENT CO., LTD. / LAFORET T&S CO., LTD. / FORETSEINE CO., LTD. / Toyo Housing Management, Inc. / Toyo Green Building Co., Ltd. / URBAN LIFE Co., Ltd. / URBAN LIFE JUUTAKUHANBAI Co., Ltd. / LIZ INVESTMENT Co., Ltd. / MT Labo Co., Ltd. / MT Labo Capital Co., Ltd. / MTL Fund No.1 Investment Limited Partnership / *MT Advanced Technology Co., Ltd. / MT GENEX CORPORATION / MORI TRUST Asset Management Co., Ltd. / Shiroyama Heating & Cooling Supply Co., Ltd. / OHNO KOGYO CO., LTD. / AZMAX CORP.

○ **Equity-Method Affiliates (3 companies)**

PARCO CO., LTD. / THE ROYAL HOTEL, LIMITED / MORI TRUST Sogo Reit, Inc.

(As of March 31, 2010)

Overview of FY 2010 business performance

- In the fiscal year ended March 31, 2010, operating revenue totaled 133.2 billion yen and ordinary income was 20.5 billion yen. The year-on-year decline was chiefly due to the absence of special factors that affected real estate sales business in the previous year.
- Leasing business accounted for 62.5 billion yen of operating revenue, down from the previous year. Although full-year operation of Marunouchi Trust Tower Main made a significant contribution, leasing revenues fell overall due to factors including the end of full-building leases on Mita MT Building and Ginza MTR Building, owned by Mori Trust Sogo Reit, Inc.
- Although hotel business suffered from sluggish personal consumption and falling banquet demand in the face of the economic downturn, inclusion of Yokohama Grand Inter-continental Hotel Co., Ltd. in consolidated results led to revenue of 27.8 billion yen.
- Revenue from real estate sales business was 30.5 billion yen, largely driven by subsidiaries' condominium sales.
- Subsidiaries' construction subcontracting revenues contributed to 12.3 billion yen in revenue from other business.
- Non-operating income and extraordinary income included investment returns from equity method affiliates. As a result, ordinary income totaled 20.5 billion yen, while net income amounted to 8.8 billion yen.

Business performance projections for FY 2011

- For the year ending March 31, 2011, Mori Trust Group is conservatively anticipating ongoing weakness in the office leasing market. Consequently, leasing business revenue is forecast to total 60 billion yen. Hotel business revenue is projected to decline to 21 billion yen due to factors including Yokohama Grand Inter-continental Hotel ceasing to be a consolidated company in April 2010. Revenue from real estate sales business is forecast to total 26 billion yen, largely driven by condominium sales.

Total operating revenue is expected to be 120 billion yen and ordinary income is forecast to be 13 billion yen. The sale of the Tokyo Shiodome Building and other factors are expected to generate extraordinary income, and sounder assets and a stronger financial position are projected to result in net income of 17 billion yen.

Projections contained in this document have been made on the basis of information available when it was released. Due to various unforeseeable factors, actual performance may differ from such projections.

■ Investments and Rental Properties

From the end of this fiscal year we applied the Accounting Standard for Disclosures about Fair Value of Investment and Rental Property (ASBJ Statement No. 20, November 28, 2008) and the Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property (ASBJ Guidance No. 23, November 28, 2008).

The consolidated balance sheet amount and fair value of such investments and rental properties are set out below (fair value at fiscal year-end was calculated in-house, based primarily on the Japanese Real Estate Appraisal Standards).

Consolidated balance sheet amount: 656.8 billion yen

Fair value: 1130.7 billion yen

Unrealized profit: 473.9 billion yen

FY 2010 key business topics

Redevelopment Projects

◇ Marunouchi Trust City

In June 2009 Tourist Information Center Tokyo (TIC Tokyo) opened in Marunouchi Trust City, adjacent to Tokyo Station's Nihonbashi exit. Together with Shangri-La Hotel, Tokyo, which opened in March 2009 in Marunouchi Trust Tower Main (completed in November 2008), this creates a focal point for international tourism.

In December 2009 Trust City Conference Marunouchi (TCC Marunouchi) opened on the third floor of Marunouchi Trust Tower North (completed in September 2003). Adding a new element to urban infrastructure, this conference center is another step in the formation of an international business hub.

◇ Sendai Trust City

Mori Trust is currently developing Sendai Trust City on the former site of the Tohoku Gakuin junior and senior high schools in the Aoba-ku, Ichibancho area of central Sendai. The grand opening of the complex, comprising Sendai Trust Tower and the Residence Ichibancho, is scheduled for August 2010.

Completed in April 2010, Sendai Trust Tower will offer a broad array of urban services, including highly functional offices as well as the Westin Sendai—the first foreign luxury hotel in the Tohoku region—and the retail facility Trust City Plaza (both scheduled to open on August 1, 2010). Trust City Plaza will house a wide range of stores, and the second floor will feature a collection of renowned restaurants. This dining floor named “Tohoku Takumigai” will be a culinary paradise like no other,

offering dishes prepared by master chefs using carefully selected local ingredients from around the Tohoku region.

The Residence Ichibancho (scheduled for completion in June 2010) aims to offer the finest in tower-style living. Model units opened within the tower in March 2010.

Several events and promotions were held at Sendai Trust City in 2009, including a community clean-up event, a promotional campaign marking one year until the opening of Sendai Trust City and the Westin Sendai, and the “Happy Greeting” e-card promotion. In December 2009 a Christmas Eve window art display was staged at Sendai Trust Tower, using lighted windows to depict a giant Christmas tree on the front of the building.

◇ **Acquisition of Government Land at Roppongi 1-chome**

In January 2010 Mori Trust made a successful bid for the former site of a Ministry of Agriculture, Forestry and Fisheries training center. Redevelopment plans have yet to be determined.

◇ **Former Toranomom Pastoral Hotel Site**

In partnership with Leeds TMK, Mori Trust began demolition work on Toranomom Pastoral Hotel in May 2010. The work is scheduled to take eight months and should be completed in January 2011. Redevelopment plans following demolition are yet to be determined.

Hotel and Resort Business

◇ **The Westin Sendai**

The Westin Sendai (general manager: William J. Pitton) is scheduled to open in Sendai Trust City on August 1, 2010. In addition to sweeping views from the upper floors and spacious guest rooms (292 rooms ranging from 30 m² to 142 m², average size approximately 43 m²), the hotel will feature two restaurants and a bar: Symphony, a restaurant offering all-day dining, and HORIZON, a bar-lounge, both on the 26th floor, and on the top (37th) floor the Japanese restaurant Ichimuan, created by Yogyoan Tankuma Kitamise, a long-established restaurant famed for Kyoto cuisine.

◇ **Conrad Tokyo**

In November 2009 the restaurant section of the *Michelin Guide Tokyo 2010* awarded one star to each of two restaurants at Conrad Tokyo: China Blue (Chinese cuisine) and Gordon Ramsay at Conrad Tokyo (modern French cuisine). In the hotel section, Conrad Tokyo was awarded Michelin’s highest honor of five red pavilions for the third consecutive year.

◇ **Laforet Hotels and Resorts**

In mid-2009, to celebrate 80 years of Japan-Canada diplomatic relations, Laforet Hotels and Resorts held Canada Fair. Special programs featuring popular Canadian leisure activities, cuisine, food

products, and merchandise were offered. In October 2009 the hotel section of the *Michelin Guide Kyoto Osaka 2010* awarded two pavilions to Hotel Laforet Shin-Osaka.

Investment Business

◇ MT Advanced Technology Co., Ltd.

Using investment from MTL Fund No. 1 Investment Limited Partnership, operated by MT Labo Capital Co., Ltd. as a general partner, MT Advanced Technology Co., Ltd. was established in February 2009 to provide ICT consulting and solutions. The company offers ICT services designed to raise overall business quality, including a service provided to KDDI that enables its clients' employees to securely connect to internal systems from their personal computers using simple settings when they are out of the office.

◇ REIT Business

In April 2010 Mori Trust transferred the Tokyo Shiodome Building to Mori Trust Sogo Reit and acquired the Akasaka Mitsuke MT Building. Located in the Shiodome district, one of Japan's largest redevelopment areas, the Tokyo Shiodome Building faces Hamarikyu Gardens, offering splendid views over Tokyo Bay and a prime high-profile location. This large complex encompasses offices, the Conrad Tokyo hotel, and Pedi Shiodome, retail facilities operated by Parco Co., Ltd.

In May 2010, Mori Trust Sogo Reit announced a public offering of new shares.

Organizational Changes

◇ Merger with Ohno Kogyo

Mori Trust is scheduled to merge with Ohno Kogyo Co., Ltd., a consolidated company engaged in building leasing, on July 1, 2010. Mori Trust will take over the reconstruction of the Ohno Building (Kyobashi 1-chome, Chuo-ku, Tokyo) planned by Ohno Kogyo.

◇ Transfer of Stock in Yokohama Grand Inter-continental Hotel

Since beginning co-management of Yokohama Grand Inter-continental Hotel in March 2003, Mori Trust has strengthened the hotel's financial position and augmented and stabilized its business base. As part of these efforts, in February 2007 Mori Trust transferred stock to the Ishin Hotels Group in the aim of enhancing operational efficiency through joint business. As a result, key value-enhancement measures were undertaken through the joint business and upon their completion in December 2008 Ishin Hotels Group's stockholding was transferred to Mori Trust and Hospitality Network Corporation (President: Yuji Tsutsumi).

Subsequently, as part of considering future development strategy for the hotel, 43.97% of Mori Trust's 58.68% stockholding was transferred to Yuji Tsutsumi in April 2010 in the aim of creating a management structure to enable an active and flexible approach to such opportunities as linking

with Hotel InterContinental Tokyo Bay. As the holder of 14.71% of outstanding shares in Yokohama Grand Inter-continental Hotel, Mori Trust will continue to cooperate in the business with a view to its further development.

Note: Revenue from hotel business

Since Yokohama Grand Inter-continental Hotel became a consolidated company with the acquisition of stock from the Ishin Hotels Group in December 2008, revenue from the hotel was included in financial results for the year ended March 31, 2010. With the subsequent transfer of stock in April 2010, Yokohama Grand Inter-continental Hotel ceased to be a consolidated company, thus its revenue is not included in the financial forecast for the year ending March 31, 2011.

<Reference>

Overview of redevelopment projects

○ Multipurpose Redevelopment Project

■ Marunouchi Trust City



Address	(Main) 1-8-3 Marunouchi, Chiyoda-ku, Tokyo (North) 1-8-1 Marunouchi, Chiyoda-ku, Tokyo	
Site Area	12,026.77m ²	
Total floor area	180,574.94m ²	
	Main	North
Total floor area	115,379.68m ²	65,195.26m ²
Number of floors	37 stories above ground, 4 stories below ground	19 stories above ground, 3 stories below ground
Maximum height	178m	99.6m
Primary use	office (2-26F) hotel (B1F,1F,27-37F) retail (2F)	office (3-19F) conference center (3F) retail (1-2F) tourist information center (1F)
Building completion	November 2008	September 2003
Hotel tenant	Shangri-La Hotel, Tokyo	
Guest room	202 rooms	
Restaurant and bar facilities	Italian restaurant Piacere, Japanese restaurant Nadaman, The Lobby Lounge	
Other facilities	Wedding chapel, Ball Room, Meeting facilities, Horizon Club Lounge, CHI spa, Health club, Indoor swimming pool	
Starting date	March 2009	

■ Sendai Trust City



	Sendai Trust Tower	The Residence Ichibancho
Address	1-9-1 Ichibancho, Aoba-ku, Sendai-shi, Miyagi	1-9-2 Ichibancho, Aoba-ku, Sendai-shi, Miyagi
Site area	13,550.52m ²	3,099.49m ²
Total floor area	125,295.96m ²	30,359.96m ²
Number of floors	37 stories above ground, 2 stories below ground	29 stories above ground, 1 stories below ground
Maximum height	180m	Approx. 100m
Primary use	office (6-24F) hotel (1-3F,25-37F) retail (1-5F)	residence
Scheduled for completion	April 2010	June 2010 (scheduled)
Hotel	THE WESTIN SENDAI	
Guest room	292 rooms	
Restaurant and bar facilities	Symphony(All day dining), HORIZON(Lounge & bar), Ichimuan(Japanese)	
Other facilities	Spa, Wedding chapel, Banquet hall, etc.	
Starting Date	August 1, 2010 (scheduled)	

The above contents is based on plans as of the date this document was released. Plans in this document subject to change.

Mori Trust Group: Total floor area leased or managed

○ Leased or managed facilities (as of March 2010)

○ Leased buildings: Approx. 1,210,000 m² (60 buildings)

○ Hotel & Resort facilities: 29 hotels (Approx. 7,100 guest rooms)

(Laforet Hotels & Resorts 14 locations; MAMPEI HOTEL; CONRAD TOKYO; INTERCONTINENTAL YOKOHAMA GRAND; HOTEL SUNROUTE PLAZA SHINJUKU; Shangri-La Hotel, Tokyo; RIHGA ROYAL HOTELS & Associates Hotels(Capital & Business tie-up partner: 10 hotels))

Overview of Hotel & Resort business

[Latest Hotel Project]

■ THE WESTIN SENDAI



*image Perspective

Address	1 Ichibancho, Aoba-ku, Sendai, Miyagi
Guest Room	292 Rooms
Restaurant and bar facilities	Symphony(All day dining), HORIZON(Lounge & bar), Ichimuan(Japanese)
Other facilities	Spa, Wedding chapel, Banquet hall, etc.
Starting Date	August 1, 2010 (scheduled)

■ Laforet Hotels & Resorts



Name of Hotel	Address	Guest Room, etc.
Laforet Shuzenji	Izu-shi, Shizuoka	296 Rooms
Laforet Shuzenji & Country club		18 Holls
Laforet Gora	Hakone-machi, Ashigarashimo-gun, Kanagawa	34 Rooms
Laforet Ito	Ito-shi, Shizuoka	84 Rooms
Laforet Yamanakako	Yamanakako-mura, Minamitsuru-gun, Yamanashi	104 Rooms
Laforet Nasu	Nasu-machi, Nasu-gun, Tochigi	118 Rooms
Laforet Shirakawa Golf course	Izumizaki-mura, Nishi-Shirakawa-gun, Fukushima	18 Holls 48 Rooms
Laforet Zao Resort & Spa	Zao-machi, Katta-gun, Miyagi	197 Rooms
Laforet Club Hotel Nakakaruzawa	Karuizawa-machi, Kita-Saku-gun, Nagano	84 Rooms
Laforet Club Hotel Hakubahappo	Hakuba-mura, Kita-Azumi-gun, Nagano	45 Rooms
Laforet Biwako	Moriyama-shi, Shiga	272 Rooms
Laforet Nankishirahama	Shirahama-machi, Nishi-Muro-gun, Wakayama	182 Rooms
Hotel Laforet Tokyo	Shinagawa-ku, Tokyo	248 Rooms
Hotel Laforet Shin-Osaka	Yodogawa-ku, Osaka-shi, Osaka	332 Rooms
Laforet & Matsuo Golf Club	Sammu-shi, Chiba	18 Holls

■ MAMPEI HOTEL



Address	Karuizawa-cho, Kitasaku-gun, Nagano
Guest Room	109 Rooms
Restaurant and bar facilities	Main dining room, Chinese restaurant Manzanro, Yugyoan Tankuma Kita-mise restaurant specializing in Kyoto cuisine, and Kappo Yugyoan, Cafe, Bar,
Other facilities	Function Rooms, Exthetic Salon, Shop, etc.
Starting Date	1894

■ CONRAD TOKYO



Address	1 Higashi-shinbashi, Minato-ku, Tokyo
Guest Room	290 Rooms
Restaurant and bar facilities	Gordon Ramsay at Conrad Tokyo (French), Cerise by Gordon Ramsay (Brasserie), China Blue (Chinese), Kazahana (Japanese), TwentyEight (Bar & Rouge)
Other facilities	Mizuki Spa & Fitness, Indoor pool, Banquet rooms, Wedding Chapel, etc.
Starting Date	2005

■ RIHGA ROYAL HOTELS



■ RIHGA ROYAL HOTELS		
Name of Hotel	Address	Guest Room
RIHGA ROYAL HOTEL (Osaka)	Kita-ku, Osaka-shi, Osaka	973 Rooms
RIHGA ROYAL HOTEL Tokyo	Shinjuku-ku, Tokyo	126 Rooms
RIHGA ROYAL HOTEL Kyoto	Shimogyo-ku, Kyoto-shi, Kyoto	484 Rooms
RIHGA ROYAL HOTEL Hiroshima	Naka-ku, Hiroshima-shi, Hiroshima	490 Rooms
RIHGA ROYAL HOTEL Kokura	Kokurakita-ku, Kitakyushu-shi, Fukuoka	295 Rooms
RIHGA ROYAL HOTEL Niihama	Niihama-shi, Ehime	94 Rooms
RIHGA Nakanoshima Inn	Nishi-ku, Osaka	340 Rooms
RIHGA ROYAL HOTEL Sakai	Sakai-shi, Osaka	241 Rooms
Kuroyon Royal Hotel	Omachi-shi, Nagano	73 Rooms
■ Associates Hotel		
RIHGA Hotel Zest Takamatsu	Takamatsu-shi, Kagawa	122 Rooms

■ INTERCONTINENTAL YOKOHAMA GRAND



Address	Minato Mirai, Nishi-ku, Yokohama-shi, Kanagawa
Guest Room	594 Rooms
Restaurant and bar facilities	Karyu (Chinese), Azur (French), La Vela (Italian), Ocean Terrace (Buffet dining), Pier 21 (Seafood bistro), Nadaman (Japanese), Marine Blue (Bar & Rouge), Starboard (Music lounge), Patisserie (Pastry shop)
Other facilities	Spa, Fitness, Banquet Halls, Wedding Chapel, etc.
Starting Date	1991

■ Shangri-La Hotel, Tokyo ※Lease



*image Perspective

Address	1 Marunouchi, Chiyoda-ku, Tokyo
Guest Room	202 Rooms
Restaurant and bar facilities	Italian restaurant Piacere, Japanese restaurant Nadaman, The Lobby Lounge
Other facilities	Wedding chapel, Ball Room, Meeting facilities, Horizon Club Lounge, CHI spa, Health club, Indoor swimming pool
Starting Date	March 2009

Mori Trust Group: summary of consolidated companies

MORI TRUST CO., LTD.

Location Toranomon, Minato-ku, Tokyo
 President Akira Mori
 Established June 10, 1970
 Capital 10 billion yen
 Business sectors Urban development, hotel management and investment business

URBAN LIFE JUUTAKUHANBAI Co., Ltd.

Location Minamisenba, Chuo-ku, Osaka-shi, Osaka
 President Kenkichi Takatsu
 Established July 29, 1982
 Capital 300 million yen
 Business sectors Planning and sales of condominiums, dealing, brokerage of leasing and operations of real estate

MORI TRUST BUILDING MANAGEMENT CO., LTD.

Location Toranomon, Minato-ku, Tokyo
 President Kenichi Uchimura
 Established April 1, 2002
 Capital 100 million yen
 Business sectors Building management business (management of property, facility and interior design)

LIZ INVESTMENT Co., Ltd.

Location Marunouchi, Chiyoda-ku, Tokyo
 Representative Shinji Arakawa
 Established July 28, 2005
 Capital 3 million yen
 Business sectors Ownership and leasing of commercial building

MORI KANKO TRUST CO., LTD.

Location Kitashinagawa, Shinagawa-ku, Tokyo
 President Kazuyasu Abe
 Established April 3, 2006
 (date of foundation since incorporation-type company split)
 Capital 2 billion yen
 Business sectors Operation of the Laforet Hotels & Resorts

MT Labo Co., Ltd.

Location Akasaka, Minato-ku, Tokyo
 Chair Akira Mori
 President Masaki Murata
 Established April 3, 2006
 Capital 300 million yen
 Business sectors Investment banking services

MAMPEI HOTEL

Location Toranomon, Minato-ku, Tokyo
 Chair Miwako Date
 General Manager Yanai Yasutaka
 Established 1894
 Capital 100 million yen
 Business sectors Ownership and operation of the Mampei Hotel

MT Labo Capital Co., Ltd.

Location Akasaka, Minato-ku, Tokyo
 President Hidemitsu Mori
 Established December 3, 2007
 Capital 100 million yen
 Business sectors Management of investment fund, consulting

YOKOHAMA GRAND INTER-CONTINENTAL HOTEL Co., Ltd.

Location Minato Mirai, Nishi-ku, Yokohama-shi, Kanagawa
 President Nobuyuki Endo
 Established May 12, 1988
 Capital 1,631 million yen
 Business sectors Management of INTERCONTINENTAL YOKOHAMA GRAND

MTL Fund No.1 Investment Limited Partnership

General Partner MT Labo Capital Co., Ltd.
 Established August 31, 2007

MT&Hilton Hotel Co., Ltd.

Location Toranomon, Minato-ku, Tokyo
 President Kazuhiko Oiwa
 Established October 22, 2004
 Capital 20 million yen
 Business sectors Management of the Conrad Tokyo

MT Advanced Technology Co., Ltd.

Location Akasaka, Minato-ku, Tokyo
 President Masaki Murata
 Established February 27, 2009
 Capital 450 million yen
 Business sectors ICT consulting services & ICT solutions offering

MT GOLF DEVELOPMENT CO., LTD.

Location Toranomon, Minato-ku, Tokyo
 President Toshio Komatsu
 Established November 19, 2004
 Capital 100 million yen
 Business sectors Ownership and Operation of Laforet & Matsuo Golf Club

MT GENEX CORPORATION

Location Shinbashi, Minato-ku, Tokyo
 President Hitoshi Suzuki
 Established October 1945
 Capital Approx. 1,072 million yen
 Business sectors Facelift of building and housing, and parking operation management, etc.

LAFORET T&S CO., LTD.

Location Toranomon, Minato-ku, Tokyo
 President Ryoji Tanaka
 Established May 9, 1970
 Capital 55 million yen
 Business sectors Sales and planning for domestic and overseas organized travel and other various services industries

MORI TRUST Asset Management Co., Ltd.

Location Akasaka, Minato-ku, Tokyo
 President Satoshi Horino
 Established February 28, 2000
 Capital 400 million yen
 Business sectors Operation of real estate investment trusts

FORETSEINE CO., LTD.

Location Toranomon, Minato-ku, Tokyo
 President Nobuo Konomi
 Established August 7, 2001
 Capital 550 million yen
 Business sectors Planning, development and sales of urban residence

Shiroyama Heating & Cooling Supply Co., Ltd.

Location Toranomon, Minato-ku, Tokyo
 President Akira Mori
 Established November 6, 1989
 Capital 300 million yen
 Business sectors Local heating and cooling services in the Shiroyama Garden and adjacent area

Toyo Housing Management, Inc.

Location Roppongi, Minato-ku, Tokyo
 President Nobuo Konomi
 Established November 27, 1979
 Capital 10 million yen
 Business sectors Leasing management and operations of real estate

OHNO KOGYO CO., LTD.

Location Kyobashi, Chuo-ku, Tokyo
 Chair Akira Mori
 Established August 1, 1937
 Capital 50 million yen
 Business sectors Leasing management and operation of real estate, and steel operation

Toyo Green Building Co., Ltd.

Location Toranomon, Minato-ku, Tokyo
 President Nobuo Konomi
 Established March 1, 1978
 Capital 90 million yen
 Business sectors Condominium management service

AZMAX CORP.

Location Yachiyo-shi, Chiba
 President Michinobu Mizobe
 Established August 11, 1947
 Capital 499 million yen
 Business sectors Manufacturing and selling cold drawn special steel shapes

URBAN LIFE Co., Ltd.

Location Motoyaminamimachi, Higashinada-ku, Kobe-shi, Hyogo
 President Hitoshi Nakamuara
 Established July 31, 1970
 Capital 3 billion yen
 Business sectors Development, planning, and sales of condominiums, office buildings and stores

Mori Trust Group: summary of equity-method affiliates

PARCO CO., LTD.

Location Shinsen-cho, Shibuya-ku, Tokyo
Established February 13, 1953
Business sectors Development, operation, consulting,
and property management for shopping centers, etc.

THE ROYAL HOTEL, LIMITED

Location Nakanoshima, kita-ku, Osaka-shi, Osaka
Established March 14, 1932
Business sectors Hotel management centered on lodgment,
banquet and restaurant, and hotel
incidental business

MORI TRUST Sogo Reit, Inc.

Location Akasaka, Minato-ku, Tokyo
Established October 2, 2001
Business sectors Investment in real estate and asset-backed
securities investing primarily in real estate

Consolidated Financial Statements

Consolidated Balance Sheets (as of March 31, 2010 and 2009)

MORI TRUST CO., LTD. and its consolidated subsidiaries

(¥ millions)

	2010	2009
Assets		
I . Current assets		
1 Cash and deposits	26,734	14,895
2 Notes and accounts receivable-trade	4,925	5,083
3 Short-term investment securities	23,287	14,633
4 Real estate for sale	59,957	60,774
5 Real estate for sale in process	16,911	34,388
6 Real estate for development	9,641	7,791
7 Other inventories	2,327	2,972
8 Deferred tax assets	717	2,650
9 Other	5,949	10,405
Allowance for doubtful accounts	△ 3,823	△ 3,794
Total current assets	146,626	149,798
II . Noncurrent assets		
1 Property, plant and equipment		
(1) Buildings and structures, net	148,466	157,200
(2) Machinery, equipment and vehicles, net	2,022	1,927
(3) Land	523,503	509,312
(4) Golf courses	1,489	1,489
(5) Construction in progress	19,352	8,119
(6) Other	1,469	1,725
Total property, plant and equipment	696,304	679,775
2 Intangible assets		
(1) Leasehold right	6,225	6,293
(2) Goodwill	582	983
(3) Other	1,218	1,339
Total intangible assets	8,027	8,616
3 Investments and other assets		
(1) Investment securities	7,075	11,084
(2) Investments in unconsolidated subsidiaries and affiliates	69,345	71,534
(3) Long-term loans receivable	1,400	1,449
(4) Deferred tax assets	945	890
(5) Guarantee deposits	10,397	11,571
(6) Other	1,693	2,128
Allowance for doubtful accounts	△ 69	△ 314
Total investments and other assets	90,788	98,344
Total noncurrent assets	795,120	786,736
Total assets	941,746	936,534

(¥ millions)

	2010	2009
Liabilities		
I . Current liabilities		
1 Notes and accounts payable-trade	8,934	13,360
2 Short-term loans payable	237,001	210,113
3 Current portion of long-term loans payable	132,653	81,900
4 Accounts payable-other	4,387	4,037
5 Income taxes payable	6,975	27,829
6 Accrued expenses	1,613	1,813
7 Advances received	6,332	8,393
8 Deposits received	2,255	1,028
9 Provision for bonuses	393	426
10 Other	327	297
Total current liabilities	400,875	349,201
II . Noncurrent liabilities		
1 Long-term loans payable	204,765	250,489
2 Long-term lease deposited	57,838	60,274
3 Long-term guarantee deposited	62,855	65,907
4 Long-term deposits received	296	300
5 Deferred tax liabilities	7,085	6,001
6 Provision for retirement benefits	3,276	3,246
7 Other	233	372
Total noncurrent liabilities	336,351	386,593
Total liabilities	737,226	735,795
Net assets		
I . Shareholders' equity		
1 Capital stock	10,000	10,000
2 Capital surplus	6,643	6,643
3 Retained earnings	206,285	200,392
4 Treasury stock	△ 21,096	△ 21,096
Total shareholders' equity	201,832	195,939
II . Valuation and translation adjustments		
1 Valuation difference on available-for-sale securities	△ 433	△ 384
2 Deferred gains or losses on hedges	△ 74	△ 89
3 Foreign currency translation adjustment	△ 50	△ 65
Total valuation and translation adjustments	△ 558	△ 539
III . Minority interests	3,246	5,339
Total net assets	204,519	200,739
Total liabilities and net assets	941,746	936,534

Consolidated Statements of Income (For the years ended March 31, 2010 and 2009)

	(¥ millions)	
	2010	2009
I . Operating revenue	133,259	226,879
II . Operating cost	94,032	118,332
Operating gross profit	39,226	108,547
III . Selling, general and administrative expenses	14,198	14,564
Operating income	25,028	93,982
IV . Non-operating income		
1 Interest and dividends income	293	611
2 Gain on sales of securities	294	-
3 Gain on valuation of securities	842	-
4 Equity in earnings of affiliates	2,046	-
5 Other	847	753
Total non-operating income	4,325	1,364
V . Non-operating expenses		
1 Interest expenses	7,687	7,851
2 Loss on sales of securities	427	10,536
3 Equity in losses of affiliates	-	2,715
4 Other	664	1,452
Total non-operating expenses	8,779	22,555
Ordinary income	20,573	72,791
VI . Extraordinary income		
1 Gain on sales of noncurrent assets	856	-
2 Gain on sales of investment securities	-	360
3 Gain on sales of subsidiaries and affiliates' stocks	353	-
4 Other	975	251
Total extraordinary income	2,185	612
VII . Extraordinary loss		
1 Loss on sales of noncurrent assets	253	1,873
2 Loss on retirement of noncurrent assets	152	-
3 Impairment loss	517	2,775
4 Loss on valuation of inventories	-	1,687
5 Loss on valuation of investment securities	-	1,198
6 Other	327	158
Total extraordinary losses	1,251	7,693
Income before income taxes and minority interests	21,507	65,710
Income taxes-current	11,171	36,185
Income taxes-deferred	3,044	△ 4,334
Total income taxes	14,215	31,850
Minority interests in loss	△ 1,608	△ 1,359
Net income	8,899	35,219